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**AOWEI HOLDING LIMITED**  
**奧威控股有限公司**

*(incorporated in the British Virgin Islands and continued in the Caymans Islands with limited liability)*  
**(Stock Code: 1370)**

**QUARTERLY UPDATE ON SUSPENSION OF TRADING**

This announcement is made by Aowei Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2)(a) and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to (i) the announcement of the Company dated 29 March 2021 in relation to the delay in publication of the 2020 Annual Results, postponement of Board meeting and suspension of trading in the shares of the Company; (ii) the announcements of the Company dated 30 April 2021 and 10 May 2021 in relation to the publication of the unaudited management accounts of the Company for the year ended 31 December 2020, the Initial Resumption Guidance for the Company and the formation of the Independent Investigation Committee by the Company; (iii) the announcement of the Company dated 13 May 2021 in relation to the resignation of the auditor of the Company; (iv) the announcement of the Company dated 21 May 2021 in relation to the appointment of the Independent Investigator and the appointment of the new auditor of the Company; (v) the announcements of the Company dated 29 June 2021, 29 September 2021, 15 October 2021, 29 December 2021, 29 March 2022 and 29 June 2022 in relation to, among other things, the quarterly update on the suspension of trading; (vi) the announcements of the Company dated 8 December 2021 and 4 March 2022 in relation to the key findings of the Independent Investigation; (vii) the announcement of the Company dated 16 December 2021 in relation to the Additional Resumption Guidance; (viii) the announcement of the Company dated 27 January 2022 in relation to the appointment of the Internal Control Consultant; (ix) the announcement of the Company dated 29 August 2022 in relation to delay in publication of the 2022 Interim Results and update on progress of resumption of the Company; (x) the announcement of the Company dated 9 September 2022 in relation to the key findings of the Supplementary Independent Investigation; (xi) the announcement of the Company dated 9 September 2022 in relation to the provision of Deposit Pledge and provision of Loan to an entity; (xii) the announcement of the Company dated 20 September 2022 in relation to the publication of the 2020 Annual Results; (xiii) the announcement of the Company dated 21 September 2022 in relation to results of the internal control review; (xiv) the announcement of the Company dated 26 September 2022 in relation to the publication of the 2021 Interim Results; and (xv) the announcement of the Company dated 27 September 2022 in relation to clarification on the contents of the 2020 Annual Results Announcement (collectively, the “**Announcements**”). Reference is also made to the 2020 Annual

Report and the 2021 Interim Report both published on 28 September 2022. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

## RESUMPTION GUIDANCE

As disclosed in the announcements of the Company dated 30 April 2021 and 16 December 2021, the Company has been notified by the Stock Exchange of the Resumption Guidance as follows:

- (i) conduct an appropriate independent investigation into the Audit Issues, assess the impact on the Company's business operation and financial position, disclose the findings and impact, and take appropriate remedial actions;
- (ii) publish all outstanding financial results required under the Listing Rules and address any audit issues and/or audit modifications;
- (iii) demonstrate compliance with Rule 13.24 of the Listing Rules;
- (iv) announce all material information for the Company's shareholders and investors to appraise the Company's position; and
- (v) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to comply with the Listing Rules.

## UPDATE ON RESUMPTION PROGRESS

- (i) **Conduct an appropriate independent investigation into the Audit Issues, assess the impact on the Company's business operation and financial position, disclose the findings and impact, and take appropriate remedial actions**

As disclosed in the announcement of the Company dated 21 May 2021, the Independent Investigation Committee has appointed SHINEWING Financial Advisory Services Limited as an independent third party investigator on 21 May 2021 to conduct an independent investigation into the Audit Issues and produce a report of findings on the Independent Investigation to the Independent Investigation Committee.

The key findings of the Independent Investigation are set out in the announcement of the Company dated 8 December 2021. The Company has subsequently instructed the Independent Investigator to conduct the Supplementary Independent Investigation. Clarification and supplementary explanation on certain contents of the Audit Issues were made in the announcement of the Company dated 4 March 2022. As disclosed in the announcement of the Company dated 29 August 2022, the Independent Investigator has issued the Draft Supplementary Independent Investigation Report on 19 August 2022. On the same day, the Independent Investigation Committee reported the findings of the Supplementary Independent Investigation to the Board. The Board reviewed and approved the Draft Supplementary Independent Investigation Report on 19 August 2022 and submitted it to the Stock Exchange on the same day. On 30 August 2022, the Independent Investigation

Committee received the Supplementary Investigation Report issued by the Independent Investigator (which has been submitted to the Stock Exchange) and a summary of which was disclosed in the announcement of the Company dated 9 September 2022.

**(ii) Publish all outstanding financial results required under the Listing Rules and address any audit issues and/or audit modifications**

The Company (i) published the 2020 Annual Results and the 2021 Interim Results on 21 September 2022 and 26 September 2022 respectively; and (ii) published the 2020 Annual Report and the 2021 Interim Report both on 28 September 2022. Therefore, there are two outstanding financial results and reports yet to be published by the Company as at the date of this announcement which include (a) the 2021 Annual Results and the 2021 Annual Report; and (b) the 2022 Interim Results and the 2022 Interim Report ((a) and (b) above are collectively known as the “**Remaining Financial Results**”).

The delay in publishing the Remaining Financial Results was mainly due to the impact of COVID-19 on the progress of, amongst others, conducting the audit works in the PRC.

The Company has been devoting its best efforts in publishing the Remaining Financial Results. The Company has been in negotiation with the auditor of the Company for the publication of the Remaining Financial Results. Detailed timetable for the expected dates of publication of the Remaining Financial Results are set out below:

<b>Remaining Financial Results</b>	<b>Expected date of publication of financial results announcement</b>	<b>Expected date of publication of financial report</b>
1. 2021 Annual Results and 2021 Annual Report	24 October 2022	27 October 2022
2. 2022 Interim Results and 2022 Interim Report	26 October 2022	28 October 2022

**(iii) Demonstrate compliance with Rule 13.24 of the Listing Rules**

The Group is principally engaged in (i) the exploration, mining, processing and sales of iron ore products, including iron ores, preliminary concentrates and iron ore concentrates; and (ii) the green construction materials construction sand and gravel materials production and sales business in the PRC.

According to the 2021 Interim Report, the Group recorded unaudited revenue and net profit of approximately RMB605.9 million and approximately RMB145.0 million respectively. As at 30 June 2021, the Group has unaudited total assets and net assets of approximately RMB2,506.1 million and approximately RMB1,395.6 million respectively. As at the date of this announcement, the business operations of the Group are continuing as usual in all material respects. Based on the above, the Board is of the view that the Group has sufficient level of operations and assets of sufficient value to support its operations to comply with the requirements under Rule 13.24 of the Listing Rules.

**(iv) Announce all material information for the Company’s shareholders and investors to appraise the Company’s position**

Since the suspension of trading in the Shares on 29 March 2021, the Company has, in accordance with the requirements of the Listing Rules, informed the market of the material information and the latest situation of the Company by publishing announcements from time to time. The Company will further disclose any other information in relation to the Company and resumption of trading in the Shares, and update on the business development of the Company as and when appropriate in accordance with the Listing Rules.

**(v) Conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to comply with the Listing Rules**

As disclosed in the announcement of the Company dated 27 January 2022, the Company has appointed Avista PRO-WIS Risk Advisory Limited as the Internal Control Consultant to conduct the Internal Control Review and to make rectification recommendations.

On 21 September 2022, the Internal Control Consultant issued the Internal Control Review Report. As at the date of the Internal Control Review Report, save for publishing all the outstanding financial results of the Group, all the recommended rectification measures provided by the Internal Control Consultant under the Internal Control Review have been adopted. Based on the results of the Internal Control Review, the Internal Control Consultant is of the view that the Company has in place adequate corporate governance, internal control and financial reporting systems to discharge the Company’s obligations under the Listing Rules. The summary of (i) the key internal control findings identified by the Internal Control Consultant in the Internal Control Review Report; (ii) the recommendations for improvement; and (iii) the Company’s response and remediation status was disclosed in the announcement of the Company dated 21 September 2022.

**APPLICATION FOR EXTENSION OF RESUMPTION DEADLINE**

As disclosed in the Announcements, the Company is required to fulfill the Resumption Guidance by 28 September 2022 (the “**Resumption Deadline**”). If the Company fails to remedy the issues causing its trading suspension, fulfill the Resumption Guidance and fully comply with the Listing Rules to the Stock Exchange’s satisfaction and resume trading in its shares by the Resumption Deadline, the Listing Division of the Stock Exchange will recommend the Listing Committee of the Stock Exchange to proceed with the cancellation of the Company’s listing.

Having considered that (i) save for publishing the Remaining Financial Results, the Company is of the view that it has addressed all other Resumption Guidance; (ii) the delay in publishing the Remaining Financial Results was mainly due to the impact of COVID-19 on the progress of, amongst others, conducting the audit works in the PRC; and (iii) the Company has worked out expected dates in publishing the Remaining Financial Results by 28 October 2022 with its auditor, the Company has made an application to the Stock Exchange for an extension of the Resumption Deadline by one month (the “**Extension Application**”). The Company is of the view that, in the event the Extension Application is approved, the Company would have sufficient time to fulfill the Resumption Guidance, which is in the interest of the shareholders of the Company.

The Company remains committed to the Resumption Guidance and will make further announcement as and when appropriate should there be any material development on the Resumption Guidance.

### **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 29 March 2021 and will remain suspended until further notice.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Aowei Holding Limited**  
**Li Yanjun**  
*Chairman*

Beijing, the PRC, 29 September 2022

*As at the date of this announcement, the executive Directors of the Company are Mr. Li Yanjun, Mr. Li Ziwei, Mr. Sun Jianhua and Mr. Tu Quanping and the independent non-executive Directors of the Company are Mr. Wong Sze Lok, Mr. Ge Xinjian and Mr. Meng Likun.*